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IAC-D-100/56
15 January 1958

I N T E L L I G E N C E A D V I S O R Y C O M M I T T E E

Validity Study of NIE 64-56:

The Political Outlook in Malaya Through 1960,

published 24 January 1956

The attached validity study of NIE 64-56, "The Political Outlook in Malaya Through 1960," published 24 January 1956, was noted by the IAC on 14 January 1958 (IAC-M-324).

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Secretary

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Validity Study of NIE 64-56:

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1. NIE 64-56 estimated that the UK would "probably grant some form of independence within the Commonwealth by 1960." In fact, independence was granted 31 August 1957. The pace of events leading toward independence was more rapid than the British had anticipated. As a result of the growth of Malay nationalism, the smooth working relationship established among the Alliance leaders, and the rise of moderate, responsible Malaya leadership, the British took a policy decision to grant Federation independence as quickly as possible.

2. However, the estimate pointed out, correctly in our view, that Malay-Chinese tensions were merely "relatively quiescent" and that they would continue as a major source of political instability and, over the long run, become more serious.

3. With respect to Singapore, NIE 64-56 correctly pointed out that the Labor Front government of Chief Minister David Marshall might be forced out of office and estimated that non-Communist elements would continue in control of the government for the next year or two. The estimate did not foresee the rise of a substantially more effective government under vigorous non-Communist leadership, such as that of Lim Yew Hock. It was correct, however, in pointing out that the left-wing People's Action Party would "almost certainly continue to make substantial popular gains." This has proven to be the case even though the Lim Yew Hock government has taken effective measures to disrupt the Communist movement in Singapore and has arrested nearly all of the Communist leaders of PAP.

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